

AMENDED IN SENATE JUNE 24, 2015

AMENDED IN ASSEMBLY APRIL 27, 2015

AMENDED IN ASSEMBLY APRIL 20, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 921

Introduced by Assembly Member Jones

February 26, 2015

An act to amend Section 7525.1 of, and to add ~~Section 7519.1~~ *Sections 7519.1, 7519.2, 7519.3, and 7519.4* to, the Business and Professions Code, relating to private investigators.

LEGISLATIVE COUNSEL'S DIGEST

AB 921, as amended, Jones. Private investigators: Disciplinary Review Committee.

The Private Investigator Act provides for the licensure and regulation of private investigators by the Bureau of Security and Investigative Services within the Department of Consumer Affairs and requires the Director of Consumer Affairs to administer and enforce the act. The act authorizes the director to deny, suspend, or revoke a license if the director determines, among other things, that any provision of the act was violated by the licensee. The act also authorizes the director to impose a civil penalty of no greater than \$500 instead of suspending or revoking a license issued under the act for the violation of specified provisions if the director determines that the imposition of the civil penalty better serves the purposes of the act. The act requires an application for a license to be verified and include certain information, including, but not limited to, the full name and business address of the applicant.

This bill would require the Governor to appoint a Private Investigator Disciplinary Review Committee, and would authorize the Governor to remove any member of the committee for misconduct, incompetency, or neglect of duty. The bill would require the committee to consist of 3 members actively engaged in the business of a licensed private investigator and 2 public members, as specified, and would require members to be appointed for a term of 4 years. The bill would require the committee to meet *every* 60 days or more or less frequently as may be required, and would require that the members be paid per diem, as specified, and be reimbursed for actual travel expenses. *The bill would require the committee to perform certain functions, including affirming, rescinding, or modifying all appealed decisions concerning administrative fines, or denial, suspension, or revocation of licenses, as specified. The bill would authorize the committee to grant a probationary license, certificate, registration, or permit with respect to appealed decisions, as specified.* The bill would authorize a person licensed under the act to appeal the assessment of an administrative fine to the committee, and would authorize a person ~~denied~~ *denied, suspended of, or revoked of* a license under the act to appeal ~~that denial~~ to the committee, except as specified, if the appeal is in writing and made within 30 days of the assessment of the fine or ~~denial~~ *denial, suspension, or revocation* of the license. ~~The committee is required~~ *The bill would require the committee to notify the appellant in writing, by regular mail, of the committee's decision within 30 days of that decision.* The bill would also authorize the appellant to request a hearing, as specified, if, *among other things*, the appellant disagrees with the committee's decision regarding the appeal. *The bill would require that all evidence used by the bureau be provided to the committee prior to hearing an appeal.* The bill would also authorize an applicant to, at his or her discretion, include a valid email address on the application.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 7519.1 is added to the Business and
- 2 Professions Code, immediately following Section 7519, to read:
- 3 7519.1. (a) The Governor shall appoint a Private Investigator
- 4 Disciplinary Review Committee, and may remove any member of
- 5 the committee for misconduct, incompetency, or neglect of duty.

1 (b) The committee shall consist of three members actively
2 engaged in the business of a licensed private investigator and two
3 public members. The public members shall not be licensees or
4 registrants, or engage in any business or profession in which any
5 part of the fees, compensation, or revenue thereof, is derived from
6 any licensee.

7 (c) The committee shall meet every 60 days or more or less
8 frequently as may be required. The members shall be paid per diem
9 pursuant to Section 103 and shall be reimbursed for actual travel
10 expenses. The members shall be appointed for a term of four years.

11 ~~(d) A person licensed with the department under this chapter~~
12 ~~may appeal the assessment of an administrative fine to the~~
13 ~~committee. A person denied a license under this chapter may appeal~~
14 ~~the denial of a license to the committee, unless the denial of a~~
15 ~~license is ordered by the director in accordance with Chapter 5~~
16 ~~(commencing with Section 11500) of Part 1 of Division 3 of Title~~
17 ~~2 of the Government Code.~~

18 ~~(e) A request for an appeal to the committee shall be made in a~~
19 ~~written notice to the department within 30 days of the assessment~~
20 ~~of an administrative fine or denial of a license.~~

21 ~~(f) Following review by the committee of the appeal, the~~
22 ~~appellant shall be notified in writing, by regular mail, within 30~~
23 ~~days of the committee's decision on the appeal.~~

24 ~~(g) If the appellant disagrees with the decision made by the~~
25 ~~committee, the appellant may request a hearing in accordance with~~
26 ~~Chapter 5 (commencing with Section 11500) of Part 1 of Division~~
27 ~~3 of Title 2 of the Government Code. A request for such a hearing~~
28 ~~shall be made by written notice to the department within 30 days~~
29 ~~following notice of the committee's decision.~~

30 *SEC. 2. Section 7519.2 is added to the Business and Professions*
31 *Code, to read:*

32 *7519.2. (a) The Private Investigator Disciplinary Review*
33 *Committee shall perform the following functions:*

34 *(1) Affirm, rescind, or modify all appealed decisions concerning*
35 *administrative fines assessed by the bureau against private*
36 *investigators.*

37 *(2) Affirm, rescind, or modify all appealed decisions concerning*
38 *denial, suspension, or revocation of licenses, and certificates,*
39 *registrations, or permits issued by the bureau, except denials*
40 *suspensions, or revocations ordered by the director in accordance*

1 *with Chapter 5 (commencing with Section 11500) of Division 3 of*
2 *Title 2 of the Government Code.*

3 *(b) The committee may grant a probationary license, certificate,*
4 *registration, or permit with respect to the appealed decisions*
5 *described in subdivision (a).*

6 *SEC. 3. Section 7519.3 is added to the Business and Professions*
7 *Code, to read:*

8 *7519.3. (a) (1) A person licensed with the department under*
9 *this chapter may appeal the assessment of an administrative fine*
10 *to the Private Investigator Disciplinary Review Committee. A*
11 *person denied, suspended of, or revoked of a license under this*
12 *chapter may appeal to the committee, unless the denial, suspension,*
13 *or revocation of the license is ordered by the director in*
14 *accordance with Chapter 5 (commencing with Section 11500) of*
15 *Part 1 of Division 3 of Title 2 of the Government Code.*

16 *(2) A request for an appeal to the committee shall be made in*
17 *a written notice to the department within 30 days of the assessment*
18 *of an administrative fine or denial, suspension, or revocation of*
19 *a license.*

20 *(3) Following review by the committee of the appeal, the*
21 *appellant shall be notified in writing, by regular mail, within 30*
22 *days of the committee's decision on the appeal.*

23 *(4) If the appellant disagrees with the decision made by the*
24 *committee, the appellant may request a hearing as described in*
25 *subdivision (b). A request for a hearing following a decision by*
26 *the committee shall be made by written notice to the department*
27 *within 30 days following notice of the committee's decision.*

28 *(5) If the appellant does not request a hearing within those 30*
29 *days, the committee's decision shall become final.*

30 *(b) (1) A person licensed with the department under this chapter*
31 *may request a hearing in accordance with Chapter 5 (commencing*
32 *with Section 11500) of Part 1 of Division 3 of Title 2 of the*
33 *Government Code if he or she contests an assessment of an*
34 *administrative fine, or to appeal a denial, suspension, or revocation*
35 *of a license. A hearing may also be requested , if the appellant*
36 *disagrees with the decision made by the committee.*

37 *(2) A request for a hearing shall be made by written notice to*
38 *the department within 30 days following the issuance of the*
39 *decision by the committee. A hearing pursuant to this subdivision*
40 *shall be available only after a review by the committee.*

1 *SEC. 4. Section 7519.4 is added to the Business and Professions*
2 *Code, to read:*

3 7519.4. *The Private Investigator Disciplinary Review*
4 *Committee shall be provided all evidence used by the bureau in*
5 *reaching its decision prior to hearing an appeal.*

6 ~~SEC. 2.~~

7 *SEC. 5. Section 7525.1 of the Business and Professions Code,*
8 *as amended by Section 4 of Chapter 669 of the Statutes of 2014,*
9 *is amended to read:*

10 7525.1. An application shall be verified and shall include:

- 11 (a) The full name and business address of the applicant.
12 (b) The name under which the applicant intends to do business.
13 (c) A statement as to the general nature of the business in which
14 the applicant intends to engage.
15 (d) A verified statement of his or her experience qualifications.
16 (e) (1) If the applicant is an individual, a qualified manager, a
17 partner of a partnership, an officer of a corporation designated in
18 subdivision (h), or a managing member of a limited liability
19 company designated in subdivision (i), one personal identification
20 form provided by the bureau upon which shall appear a photograph
21 taken within one year immediately preceding the date of the filing
22 of the application together with two legible sets of fingerprints,
23 one set of which shall be forwarded to the Federal Bureau of
24 Investigation for purposes of a background check, on a form
25 approved by the Department of Justice, and a personal description
26 of each person, respectively. The identification form shall include
27 residence addresses and employment history for the previous five
28 years and be signed under penalty of perjury.
29 (2) The bureau may impose a fee not to exceed three dollars
30 (\$3) for processing classifiable fingerprint cards submitted by
31 applicants, excluding those submitted into an electronic fingerprint
32 system using electronic fingerprint technology.
33 (f) In addition, if the applicant for a license is an individual, the
34 application shall list all other names known as or used during the
35 past 10 years and shall state that the applicant is to be personally
36 and actively in charge of the business for which the license is
37 sought. If any other qualified manager is to be actively in charge
38 of the business, the application shall be subscribed, verified, and
39 signed by the applicant, under penalty of perjury. If any other
40 person is to be actively in charge of the business, the application

1 shall also be subscribed, verified, and signed by that person under
2 penalty of perjury.

3 (g) If the applicants for a license are copartners, the application
4 shall state the true names and addresses of all partners and the
5 name of the partner to be actively in charge of the business for
6 which the license is sought and list all other names known as or
7 used during the past 10 years. If a qualified manager other than a
8 partner is to be actively in charge of the business, then the
9 application shall be subscribed, verified, and signed by all of the
10 partners under penalty of perjury. If any other person is to be
11 actively in charge of the business, the application shall also be
12 subscribed, verified, and signed by that person, under penalty of
13 perjury, under penalty of perjury by all of the partners and the
14 qualified manager, or by all of the partners or the qualified
15 manager.

16 (h) If the applicant for a license is a corporation, the application
17 shall state the true names and complete residence addresses of the
18 chief executive officer, secretary, chief financial officer, and any
19 other corporate officer who will be active in the business to be
20 licensed. The application shall also state the name and address of
21 the designated person to be actively in charge of the business for
22 which the license is sought. The application shall be subscribed,
23 verified, and signed by a duly authorized officer of the applicant
24 and by the qualified manager thereof, under penalty of perjury.

25 (i) If the applicant for a license is a limited liability company,
26 the application shall state the true name and complete residence
27 address of each managing member and any other officer or member
28 who will be active in the business to be licensed. A copy of the
29 most recent articles of organization, as filed by the Secretary of
30 State, shall be supplied to the bureau upon request. The application
31 shall also state the name and residence address of the designated
32 person to be actively in charge of the business for which the license
33 is sought. The application shall be subscribed, verified, and signed
34 by a duly authorized member of the applicant under penalty of
35 perjury.

36 (j) Any other information, evidence, statements, or documents
37 as may be required by the director.

38 (k) At the discretion of the applicant, a valid email address.

1 (l) This section shall remain in effect only until January 1, 2018,
2 and as of that date is repealed, unless a later enacted statute, that
3 is enacted before January 1, 2018, deletes or extends that date.

4 ~~SEC. 3.~~

5 *SEC. 6.* Section 7525.1 of the Business and Professions Code,
6 as added by Section 5 of Chapter 669 of the Statutes of 2014, is
7 amended to read:

8 7525.1. An application shall be verified and shall include:

- 9 (a) The full name and business address of the applicant.
10 (b) The name under which the applicant intends to do business.
11 (c) A statement as to the general nature of the business in which
12 the applicant intends to engage.
13 (d) A verified statement of his or her experience qualifications.
14 (e) (1) If the applicant is an individual, a qualified manager, a
15 partner of a partnership, or an officer of a corporation designated
16 in subdivision (h), one personal identification form provided by
17 the bureau upon which shall appear a photograph taken within one
18 year immediately preceding the date of the filing of the application
19 together with two legible sets of fingerprints, one set of which
20 shall be forwarded to the Federal Bureau of Investigation for
21 purposes of a background check, on a form approved by the
22 Department of Justice, and a personal description of each person,
23 respectively. The identification form shall include residence
24 addresses and employment history for the previous five years and
25 be signed under penalty of perjury.
26 (2) The bureau may impose a fee not to exceed three dollars
27 (\$3) for processing classifiable fingerprint cards submitted by
28 applicants, excluding those submitted into an electronic fingerprint
29 system using electronic fingerprint technology.
30 (f) In addition, if the applicant for a license is an individual, the
31 application shall list all other names known as or used during the
32 past 10 years and shall state that the applicant is to be personally
33 and actively in charge of the business for which the license is
34 sought. If any other qualified manager is to be actively in charge
35 of the business, the application shall be subscribed, verified, and
36 signed by the applicant, under penalty of perjury. If any other
37 person is to be actively in charge of the business, the application
38 shall also be subscribed, verified, and signed by that person under
39 penalty of perjury.

1 (g) If the applicants for a license are copartners, the application
2 shall state the true names and addresses of all partners and the
3 name of the partner to be actively in charge of the business for
4 which the license is sought and list all other names known as or
5 used during the past 10 years. If a qualified manager other than a
6 partner is to be actively in charge of the business, then the
7 application shall be subscribed, verified, and signed by all of the
8 partners under penalty of perjury. If any other person is to be
9 actively in charge of the business, the application shall also be
10 subscribed, verified, and signed under penalty of perjury by that
11 person, by all of the partners and the qualified manager, or by all
12 of the partners or the qualified manager.

13 (h) If the applicant for a license is a corporation, the application
14 shall state the true names and complete residence addresses of the
15 chief executive officer, secretary, chief financial officer, and any
16 other corporate officer who will be active in the business to be
17 licensed. The application shall also state the name and address of
18 the designated person to be actively in charge of the business for
19 which the license is sought. The application shall be subscribed,
20 verified, and signed by a duly authorized officer of the applicant
21 and by the qualified manager thereof, under penalty of perjury.

22 (i) Any other information, evidence, statements, or documents
23 as may be required by the director.

24 (j) At the discretion of the applicant, a valid email address.

25 (k) This section shall become operative on January 1, 2018.

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